

Ky/Tenn Report

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BASIN OIL & GAS CORP HITS BIG OVERTON COUNTY OIL WELL-Basin Oil & Gas Corporation has drilled in an oil well in Overton County, with an initial production rate of 100 barrels of oil a day. The Ostil and Freddie Paul 19A, Permit #996, was drilled to a total depth of 1300 feet in the Stones River Formation. This new discovery well is located in Section 25, Range 2 South, Township 53 East, about nine miles east of Livingston, in middle Tennessee.

The well is now being completed and will be put into production. Tom Watkins, CEO, Basin Oil & Gas Corporation, says that based on past experience, the new well should produce 50 to 100 barrels of oil a day on pump. "We believe this will be the first of several productive wells that will be drilled in this part of the state," he added. "Basin Oil & Gas Corp has more than 1,000 acres under lease in the area and expects to pursue an aggressive drilling program now until the entire Stones River field is defined," Watkins added.

SOMERSET TO HOST CHRISTMAS PARTY-Somerset Refinery, parent company of South Kentucky Purchasing Co., will again host the TOGA Christmas Party, Friday, September 13th, at the Eagle's Nest Country Club in Somerset, Kentucky. Somerset is not only hosting the dinner-dance at the Eagle's Nest Country Club, it is also paying for rooms at the Hampton Inn, for members and guests who want to stay overnight. "The only change is that we will do everything on Friday including the meeting, plant tour and party, so party goers who want to sleep in on Saturday morning can do so," said Frank Lynch, CEO, Somerset Refinery.

The TOGA Board of Directors will meet at 2:00 p.m. at the Somerset Refinery. Following the board meeting, there will be a 3:00 p.m. to 4:00 p.m. tour of the refinery. Cocktails will be served at 6:30 p.m. at the Eagle's Nest, followed by dinner at 7:00 p.m. The menu features steak and salmon. The program begins at 8:00 p.m. and dancing to a live band follows immediately.

There is no cost to attend the dinner dance or to stay over night. You must make a reservation by e-mail, fax, letter or phone call to the TOGA Office. The e-mail is tmdbill@aol.com. The phone number is 615-263-1291. The fax number is 615-263-1282 and the address is Bill Goodwin, Tennessee Oil & Gas Association, 750 Old Hickory Blvd., Suite #285, Brentwood, TN 37027. Do not, please do not call Shirley Diamond to make a reservation.

CHRISTMAS PARTY SPONSORS NEEDED-TOGA Treasurer Anne Byrd has been shopping all year for gifts for everyone attending the Christmas Party (If they make a reservation). We need sponsors at \$100 each to help cover the cost of the gifts. If you or your company would like to sponsor, please notify the TOGA office.

STATE ASKING PUBLIC FOR COMMENT ON DRILLING RULES-The Tennessee Department of Environment and Conservation has asked for the public's comments and recommendations on Tennessee's drilling rules and regulations, for a study committee's review. Citizens are invited to recommend changes in existing regulations to better protect Tennessee's natural environment and economy. An informal open house and public hearing will be held at Central High School in Wartburg, TN, at the junction of Highway 26 and 27, on Tuesday, December 3, 2002. Public comments will be accepted through December 6, 2002. For additional information or send comments to Dodd Galbreath, TDEC Policy Office, 401 Church Street, 21st floor, L&C Tower, Nashville, TN, 37243. Fax 615-532-0120.

TOGA "SITE COORDINATOR" TRAINING PLANNED-In a recent letter to Tennessee Operators, the Division of Geology told operators that early next year a trained "Site Coordinator" will be required for each new drilling location. The Site Coordinator will be responsible for submitting an action plan with each new drilling permit. The plan must contain a drilling plan, containment plan and a safety plan. In addition, the Oil & Gas Board will require that the Site Coordinator be trained to be the regulatory contact as well the environmental and safety officer for the drill site. The first two-day class is tentatively scheduled for early January. The training will be coordinated by Charles Murchison, President, Target Market Development, under contract with TOGA. Murchison has 29-years of experience as a trainer, businessman, consultant, and federal government appointee. He has been in contact with governmental officials, oil and gas association executives and well-fire control companies in developing the curriculum, scheduled to be presented to the TOGA board at the December 13th meeting.

REMINDER-RHEA COUNTY OPPORTUNITY-Some folks were drilling for water and hit oil along Highway 27 between Dayton & Spring City on Ann Clark's property. It was free oil and looked like Sunnybrook. Might be a new play. Ann Clark wants something to happen. If you are interested, give her a call at: (o) 423-478-6203 (h) 423-775-7954.

TENGASCO WELL PRODUCING 400 MCFPD-Tengasco, Inc. reports its Paul Reed #9 has been connected to the company's pipeline and is producing approximately 400,000 cubic feet

of gas a day on a 1 inch choke from the Knox formation. Tengasco says it plans to drill about 15 more tests to the Knox in its 50,500-acre Swan Creek field in Hancock County.

TENNESSEE OCTOBER WELL PERMITS-Anderson County-John Henry Oil Corp., Permit #9954, Coal Creek Mining & Manufacturing Co. #11, Lake City Quad, 3500 ft./ Morgan County-Pryor Oil Corp., Permit #9955, Thomas M. White #1, Twin Bridges Quad, 4000 ft./ Ohio Ky Oil Corp., Permit #9960, Frank Susak #1, Twin Bridges Quad, 3900 ft./ Ohio Ky Oil Corp., Permit #9962, Dr. Anthony Evans #1, Twin Bridges Quad, 3900 ft./ Overton County-Southeastern Energy, Permit #9947, Gilbert Thompson #3, Alpine Quad, 2000 ft./ Consolidated Gas Inc., Permit #9948, Dolores Hancock #11, Alpine Quad, 2000 ft./ Buffalo Properties LLC, Permit #9949, Simms-Garrett #1, Livingston Quad, 2000 ft./ Southeastern Energy Inc., Permit #9950, Ray Parrott #5, Livingston Quad, 2000 ft./ Southeastern Energy Inc., Permit #9951, Roy Parrott #6, Livingston Quad, 2000 ft./ Ohio Ky Oil Corp., Permit #9952, Peggy Averitt Endicott #1A, Alpine Quad, 2000 ft./ Buffalo Properties, Permit #9953, Simms-Garrett-Kyle #1, Livingston Quad, 2000 ft./ Basin Oil & Gas Corp., Permit #9958, Ostil & Freddie Paul #19, Alpine Quad, 2000 ft./ Basin Oil & Gas Corp., Permit #9961, Ostil & Freddie Paul #19A, Alpine Quad, 2000 ft./ Pickett County-US Petroleum LLC, Permit #9956, Wayne Poore #3-6, Moodyville Quad, 2000 ft./ US Petroleum LLC, Wayne Poore #3-8, Pickett Quad, 2000 ft./ Consolidated Gas Inc., Permit #9959, Denver Smith #3, Alpine Quad, 2000 ft.

KENTUCKY OCTOBER WELL PERMITS-Clinton County-Steve Burchett Oil Co., Permit #94171, Joe Summers #ZOG 6/ Floco Management LLC, Permit #94161, Charles Warhurst #8-H/ Steve Burchett Oil Co., Permit #94170, Joe Summers #ZOG 5/ Steve Burchett Oil Co., Permit #94172, Lonnie Davis #ZOG 2/ Steve Burchett Oil Co., Permit #94182, Joe Summers #ZOG 4/ Southland Properties Inc., Permit #94191, Tommy G. Wood #102/ Duncan Drilling Co., Permit #94223, Luther Heirs Dalton #10/ Blue Grass Energy Inc., Permit #94234, David Cross #1/ Knox County-NAMI Resources Co., Permit #94157, Alva Howard #1/ NAMI Resources Co., Permit #94159, Sam Davies #2/ NAMI Resources Co., Permit #94164, Julie Logan #2/ NAMI Resources Co., Permit #94166, Knox Traders Group #1/ NAMI Resources Co., Permit #94165, Corb Hembree #1/ NAMI Resources Co., Permit #94225, Roger Osborne #4/ NAMI Resources Co., Permit #94224, Roger Osborne #3/ Letcher County-J W Kinzer, Permit #94149, The Lewis Co. Et Al #1228/ Journey Operating LLC, Permit #94136, Equitable Production Co. #TFDV 1/ Equitable Production Co., Permit #94178, Equitable Production Co. #565401/ Charles Bradley DBA Basin Energy Co., Permit #94189, WB Whitaker #114/ Columbia Natural Resources, Permit #94226, Pike-Letcher Land Co., #24186-DD/ J W Kinzer, Permit #94255, James, Edd & Asher Short #1243/ J W Kinzer, Permit #94252, Paul Pigman Et Al #1242/ Metcalfe County-A L Love, Permit #94140, David Estes #18-L/ Young Oil Corp., Permit #94197, Arvist Garmon #2/ Young Oil Corp., Permit #94199, Herb Sparks #3/ Young Oil Corp., Permit #94201, Herb Sparks #2/ Young Oil Corp., Permit #94200, Herb Sparks #1/ Young Oil Corp., Permit #94198, George Reece #1A/ Shef-A-Lor Oil Inc., Permit #94222, Teddy Ray #Sal Ray 5/ Young Oil Corp., Permit #94236, Freddie Polson #2A/ Beck Oil Inc., Permit #94246, Edward Gentry #7/ Young Oil Corp., Permit #94237, Freddie Polson #1A/ Beck Oil Inc., Permit #94247, Clifton Smith #4/ Petrotech Resources Corp., Permit #94241, Larry Jeffries #1/ Whitley County-NAMI Resources Co., Permit #94158, James Anderson #1/ NAMI Resources Co., Permit #94156, Lonnie Anderson #1/

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